S. 1557

At the request of Mr. DODD, the name of the Senator from Michigan (Mr. LEVIN) was added as a cosponsor of S. 1557, a bill to amend part B of title IV of the Elementary and Secondary Education Act of 1965 to improve 21st Century Community Learning Centers.

S. CON. RES. 1

At the request of Mr. ALLARD, the names of the Senator from Florida (Mr. MARTINEZ), the Senator from Georgia (Mr. CHAMBLISS), the Senator from Tennessee (Mr. CORKER), the Senator from Alaska (Mr. STEVENS), the Senator from Idaho (Mr. CRAIG), the Senator from Oklahoma (Mr. INHOFE), the Senator from Georgia (Mr. ISAKSON), the Senator from Arizona (Mr. KYL), the Senator from Mississippi (Mr. COCHRAN), the Senator from Kentucky (Mr. McCONNELL), the Senator from Minnesota (Mr. COLEMAN), the Senator from Texas (Mr. CORNYN), the Senator from Alabama (Mr. SESSIONS), the Senator from Louisiana (Mr. VITTER), the Senator from Utah (Mr. HATCH), the Senator from New Hampshire (Mr. GREGG), the Senator from Virginia (Mr. WARNER), the Senator from South Carolina (Mr. DEMINT), the Senator from Nevada (Mr. ENSIGN), the Senator from Mississippi (Mr. LOTT), the Senator from Iowa (Mr. GRASSLEY), the Senator from Kentucky (Mr. BUNNING), the Senator from New Mexico (Mr. DOMENICI), the Senator from Pennsylvania (Mr. SPECTER), the Senator from Utah (Mr. BENNETT), the Senator from Arizona (Mr. McCAIN), the Senator from Idaho (Mr. CRAPO), the Senator from Kansas (Mr. ROBERTS) and the Senator from Wyoming (Mr. ENZI) were added as cosponsors of S. Con. Res. 1, a concurrent resolution expressing the sense of Congress that an artistic tribute to commemorate the speech given by President Ronald Reagan at the Brandenburg Gate on June 12, 1987, should be placed within the United States Capitol.

S. CON. RES. 26

At the request of Mrs. CLINTON, the name of the Senator from Arkansas (Mrs. LINCOLN) was added as a cosponsor of S. Con. Res. 26, a concurrent resolution recognizing the 75th anniversary of the Military Order of the Purple Heart and commending recipients of the Purple Heart for their courageous demonstrations of gallantry and heroism on behalf of the United States.

S. CON. RES. 27

At the request of Mrs. CLINTON, the name of the Senator from Arkansas (Mrs. LINCOLN) was added as a cosponsor of S. Con. Res. 27, a concurrent resolution supporting the goals and ideals of ''National Purple Heart Recognition Day''.

S. RES. 213

At the request of Mr. CRAPO, the name of the Senator from New Jersey (Mr. MENENDEZ) was added as a cosponsor of S. Res. 213, a resolution supporting National Men's Health Week.

S. RES. 224

At the request of Mrs. FEINSTEIN, the name of the Senator from Virginia (Mr. WEBB) was added as a cosponsor of S. Res. 224, a resolution expressing the sense of the Senate regarding the Israeli-Palestinian peace process.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HATCH:

S. 1591. A bill to amend the Internal Revenue Code of 1986 to allow full expensing for the cost of qualified refinery property in the year in which the property is placed in service, and to classify petroleum refining property as 5-year property for purposes of depreciation; to the Committee on Finance.

Mr. HATCH. Mr. President, today I rise to reintroduce my legislation, the Refinery Investment Tax Assistance Act, aimed at increasing refining capacity in this Nation. No one doubts that U.S. consumers and businesses will face another long hot summer of too high gas prices. There is general consensus among experts that a major bottleneck in U.S. refining capacity is a big part of the reason prices are so high. My bill will help resolve that problem.

As my colleagues know, the Government does not explore for, extract, transport, or refine oil in this country. Our Nation relies wholly on private industry to feed a very large domestic energy appetite. Unfortunately, the Government often stands in the way of industry in these activities. While many refiners would like to expand their capacity to refine oil, they face extraordinary costs from bureaucratic regulations that limit the available funding for such expansion. Because of this and other unfriendly economic factors, not a single new refinery has been built in the United States since 1976. In fact, we have lost nearly 200 refineries over that time period and now we badly need that refining capacity.

I authored a key provision of the Energy Policy Act of 2005, which is currently providing some incentives for new refining capacity. However, due to budgetary constraints, the tax incentives in my proposal were cut in half during the conference between the House and the Senate. I am confident that if we had known 2 years ago just how much of a bottleneck the refinery shortage would present in today's market, the full measure of my incentive would have been enacted.

The Refinery Investment Tax Assistance Act would restore those provisions I originally introduced, but which were later removed for budget reasons. First, it would increase the short-term incentive for the industry to build new refineries or to expand existing ones. As with the 2005 bill, S. 1591 would provide immediate expensing of 100 percent of the cost of new or expanded refineries in certain circumstances. As I said earlier, cost constraints forced us to limit this incentive in 2005 to 50 percent of expensing for refiners that were able to commit to installing new refining equipment before 2008. Under this bill, any added capacity would have to be placed in service by 2012 in order to qualify to write off the full cost of the expanded capacity in the first year.

The second part of S. 1591 would address the 10-year depreciation schedule for refining assets under our current tax law. This 10-year schedule is longer than the write-off period for much of the equipment used in other manufacturing industries, including the petrochemical industry. My bill would eliminate this disparity by shortening the depreciation schedule for refining assets from 10 years to 5. This unfair and unwarranted treatment of our refining industry acts as a long-term obstacle to new investment in increased capacity. I call on my colleagues to help me level the playing field on depreciation for this critically important sector of our energy industry.

I should also point out that this legislation would allow refineries to change only the timing of the depreciation of their equipment, but not the amount. Meanwhile, it would increase the size of our tax base by encouraging industry to build new refineries and increase capacity.

Testifying before the Senate Energy and Natural Resources Committee in 2005, Mr. Bob Slaughter of the National Petrochemical & Refiners Association said that an important solution to the energy crisis would be to ''expand the refining tax incentive provision in the Energy Act [and] reduce the depreciation period for refining investments from 10 to . . . five years in order to remove a current disincentive for refining investment.''

These changes are incorporated in the legislation I am introducing today.

Mr. Slaughter gave this testimony in the aftermath of hurricane Katrina. Every American has felt the effects of the storms on our energy sector. Refineries have been pummeled and, at one point, an unprecedented 25 percent of our Nation's refining capacity was taken offline. The rising gas prices hurt families' budgets, businesses that pay high travel expenses, and even school districts that must fuel buses to transport students. Once again, forecasters are predicting a terrible storm season this summer with hurricanes comparable to those of 2005.

We have learned that when it comes to our Nation's energy security, refining is where we are the most vulnerable. This legislation will help us deal with the energy crisis and make our Nation more secure from the attacks of Mother Nature and terrorists. I hope my colleagues will join me in pursuing the secure and independent refining program that this country truly needs. I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows: